

108TH CONGRESS
2D SESSION

H. R. 4164

To amend the Internal Revenue Code of 1986 to index for inflation the exemption amount for individuals under the alternative minimum tax and to repeal the alternative minimum tax on individuals in 2010.

IN THE HOUSE OF REPRESENTATIVES

APRIL 2, 2004

Mr. SHUSTER introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to index for inflation the exemption amount for individuals under the alternative minimum tax and to repeal the alternative minimum tax on individuals in 2010.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. INDEXING FOR INFLATION OF EXEMPTION**
4 **AMOUNT FOR INDIVIDUALS UNDER THE AL-**
5 **TERNATIVE MINIMUM TAX.**

6 (a) IN GENERAL.—Subsection (d) of section 55 of the
7 Internal Revenue Code of 1986 (relating to exemption

1 amount) is amended by inserting after paragraph (3) the
 2 following new paragraph:

3 “(4) INFLATION ADJUSTMENT.—

4 “(A) IN GENERAL.—In the case of any
 5 taxable year beginning in a calendar year after
 6 2004, the dollar amounts contained in subpara-
 7 graphs (A) and (B) of paragraph (1) shall be
 8 increased by an amount equal to—

9 “(i) such dollar amount, multiplied by

10 “(ii) the cost-of-living adjustment de-
 11 termined under section 1(f)(3) for the cal-
 12 endar year in which the taxable year be-
 13 gins, determined by substituting ‘2003’ for
 14 ‘1992’ in subparagraph (B) thereof.

15 “(B) ROUNDING.—Any increase deter-
 16 mined under subparagraph (A) which is not a
 17 multiple of \$50 shall be rounded to the next
 18 lowest multiple of \$50.”.

19 (b) CONFORMING AMENDMENTS.—

20 (1) Section 55(d)(1)(A) of such Code is amend-
 21 ed by striking “\$45,000 (\$58,000 in the case of tax-
 22 able years beginning in 2003 and 2004)” and insert-
 23 ing “\$58,000”.

24 (2) Section 55(d)(1)(A) of such Code is amend-
 25 ed by striking “\$33,750 (\$40,250 in the case of tax-

1 able years beginning in 2003 and 2004)” and insert-
2 ing “\$40,250”.

3 (3) Subsection (a) of section 901 of the Eco-
4 nomic Growth and Tax Relief Reconciliation Act of
5 2001 shall not apply to the amendments made by
6 title VII of such Act (relating to alternative min-
7 imum tax).

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to taxable years beginning after
10 December 31, 2004.

11 **SEC. 2. REPEAL OF ALTERNATIVE MINIMUM TAX IN 2010.**

12 (a) IN GENERAL.—Subsection (a) of section 55 of the
13 Internal Revenue Code of 1986 is amended by adding at
14 the end the following new flush sentence:

15 “Notwithstanding subsection (b), in the case of a taxpayer
16 other than a corporation, the tentative minimum tax for
17 any taxable year beginning after December 31, 2009, shall
18 be zero.”.

19 (b) EFFECTIVE DATE.—The amendment made by
20 this section shall apply to taxable years beginning after
21 December 31, 2009.

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